

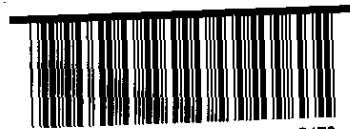
THE SCOTTISH FISHERIES MUSEUM TRUST LIMITED

CHARITY NO. SCO 06185

COMPANY NO. SCO 45381

FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 OCTOBER 2001



SGT SZUHEBK 0172
COMPANIES HOUSE 20/06/02

Henderson, Black & Co.
Chartered Accountants

THE SCOTTISH FISHERIES MUSEUM TRUST LIMITED
YEAR ENDED 31 OCTOBER 2001

CHARITY NO.
SC006185

COMPANY NO.
SC045381

PRINCIPAL ADDRESS AND REGISTERED OFFICE
St Ayles,
Harbourhead,
Anstruther,
Fife.

AUDITORS
Henderson Black & Co.,
Chartered Accountants,
Edenbank House,
22 Crossgate,
Cupar.

SOLICITORS
Drummond Cook & Mackintosh,
1 St. Andrews Road,
Anstruther.

BANKERS
Clydesdale Bank Plc,
Harbourhead,
Anstruther.

Henderson, Black & Co.

THE SCOTTISH FISHERIES MUSEUM TRUST LIMITED

INDEX TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 OCTOBER 2001

Page No.

1-2	Report of the Board of Trustees.
3	Detailed Income and Expenditure Account
4	Income and Expenditure Account and Statement of Total Recognised Gains and Losses
5	Balance Sheet
6	Statement of Financial Activities
7 - 11	Notes to the Financial Statements
12	Statement of the Board of Trustees Responsibilities
13	Independent Auditors' Report to the Members

**THE SCOTTISH FISHERIES MUSEUM TRUST LIMITED
REPORT BY THE BOARD OF TRUSTEES
TO THE THIRTY-FOURTH ANNUAL GENERAL MEETING OF
THE COMPANY**

The Board of Trustees presents their Report and Accounts of the Company for the year ended 31st October, 2001.

BOARD OF TRUSTEES

CHAIRMAN B.J.L. Minto OBE CA FRSA
VICE-CHAIRMAN D.B.B. Smith OBE MA LLB
SECRETARY
& TREASURER W.D. Batchelor MA CA

R. Cramond CBE MA FIMgt FSA(Scot)
A. Dodds
T. Gardner
Mrs J. Henderson
H. London
J. Noble
R.G.W. Prescott MA PhD FSA
I. Pringle
I. Reekie MA FEIS
Mrs E. Riches BA
D. Smith MBE
T. Sunter
J. Tarvit ISO
D.N. Tod

ADVISORY COUNCIL

CHAIRMAN B.J.L. Minto
PRESIDENT T.A. Murray
EX OFFICIO Dr B Lang, Principal, University of St Andrews
D. Mc Allister, Chairman, National Trust for Scotland
Cllr. T. Dair, Convener of Fife Council
A. Smith, President, Scottish Fishermen's Federation
Sir R H Smith, Chairman, National Museums of Scotland
NOMINATED A. Dodds, National Museum of Scotland
A. Lindsay, National Trust for Scotland
Cllr. M. Scott-Hayward, Fife Council
Cllr. J. Smith, Fife Council
ELECTED Mrs W. Anderson, J. Main, D. Stoddart
CO-OPTED A.C. Scott

PATRONS

Sir James Cayzer Bt
Lord Ewing of Kirkford
David Miller CBE
Sir Bob Reid

ELECTION OF BOARD MEMBERS

1. The following were elected members of the Board at the 2001 AGM.
Messrs T Gardner, Mrs J Henderson, B Minto, J Noble, R Prescott, and D B B Smith.
2. Messrs R Cramond and A Dodds were co-opted to the Board in May, 2001.
3. The following members of the Board are required to retire this year:
Messrs W Batchelor, I Reekie, Mrs E Riches, J Tarvit and D Tod.

ELECTION OF ADVISORS

All three elected Advisors are due to retire this year.

RESULTS

The Accounts show a surplus for the year of £37,062, after receipt of a Stabilisation Grant of £30,000 and a Running Grant of £35,000 for the period reported from the Scottish Executive. In addition there were donations of £1,750 towards the Development Fund. A change in accounting policy was necessary due to the revised Statement of Recommended Practice for accounting for Charities. This resulted in a prior year adjustment and the establishment of a Grants Fund - Restricted, the latter representing the balance of unamortised capital grants previously accounted for within Deferred Income. Adding the surplus and donations to the reported Members Funds of £408,214 as at 31st October, 2000 together with the opening balance in the restated Grants Fund of £1,164,206 gives a total of £1,611,232 in Members Funds as at 31st October, 2001. The movement within each of the Funds is detailed in the Statement of Financial Activities.

REVIEW OF THE BUSINESS

The Trust operates the Scottish Fisheries Museum at St Ayles, Harbourhead, Anstruther, and is registered as a National Museum. As one of the 3 major independent industrial museums in Scotland, the Trust has been awarded substantial on-going revenue support, initially for a three-year period, by the Scottish Executive, in partnership with Fife Council, which also continues to give substantial support. As part of the Trust's policy of making the collections available to as many of the public as possible, it has introduced 'Children Free' entry and has offered 'Doors Open' days, when appropriate.

RESERVES

The reserves of the Trust represent the value of land, Museum buildings and exhibits. The Trust has no liquid reserves and presently operates with an overdraft, which is budgeted to fall substantially in 2002. Although no major capital expenditures are currently envisaged, present Board policy is to fully fund capital projects prior to implementation.

AIMS AND MAJOR RISKS

The Trust's aim is to collect, preserve, interpret and display the fishing heritage of Scotland for the public benefit. It has an agreed Collections Policy, defining and limiting the range of artefacts to be accessioned. The main asset of the Trust is the collection, much of which is by its very nature and age irreplaceable. The policy of the Trust is therefore to utilize full-time professional curatorial staff to regularly review the state of the collection. There are also established rolling maintenance and refurbishment programmes which ensure that the museum buildings, housing the collection, are adequately maintained and that the artefacts themselves are stored, preserved, displayed and interpreted to the public's benefit. In addition the Trust has installed modern fire protection and burglar alarm systems, and carries reasonable insurance cover.

AUDITORS

The Accounts for the Year to 31st October, 2001 have been audited and the Auditors' Report is on page 13. A Resolution proposing the re-appointment of Henderson Black & Co will be made at the Annual General Meeting.



Signed On Behalf of the Board of Trustees
W.D. Batchelor, Secretary

THE SCOTTISH FISHERIES MUSEUM TRUST LIMITED

DETAILED INCOME AND EXPENDITURE ACCOUNT
FOR THE YEAR ENDED 31 OCTOBER 2001

	£	<u>2001</u> £	£	<u>2000</u> £
INCOME				
Admissions	33,781		30,588	
Subscriptions and Donations	2,698		3,827	
Boat Club Contributions	24,304		10,034	
Running Expense Grants	111,550		46,550	
Shop Sales	44,403		41,282	
Tea Room Sales	58,650		54,400	
Other Income	5,886		4,784	
Sponsorship	7,000		7,000	
Model Boats	206		536	
	<u>288,478</u>		<u>199,001</u>	
		288,478		199,001
COST OF SALES				
Shop Purchases	27,922		28,523	
Tea Room Purchases	27,703		24,746	
	<u>55,625</u>		<u>53,269</u>	
		(55,625)		(53,269)
GROSS SURPLUS		<u>232,853</u>		<u>145,732</u>
EXPENDITURE				
Rates and Insurance	6,502		6,242	
Light and Heat	5,513		6,161	
Repairs and Maintenance	8,430		4,955	
Boat Expenses	24,463		17,740	
Wages and salaries	95,472		103,152	
Printing, Postage and Stationery	2,401		1,964	
Advertising	10,534		8,267	
Telephone	1,563		1,540	
Travel Expenses	2,195		1,633	
Curatorial Expenses	3,567		2,998	
Leasing - Plant	1,389		1,721	
Audit fees	1,825		1,875	
Legal and professional fees	1,094		-	
Subscriptions	729		899	
General Expenses	1,453		798	
Bank Interest	3,792		5,179	
Depreciation	24,869		25,657	
Grant Amortisation	-		(16,104)	
	<u>195,791</u>		<u>174,677</u>	
TOTAL OVERHEAD EXPENSES		(195,791)		(174,677)
		<u>37,062</u>		<u>(28,945)</u>
Prior Year Adjustment		-		(16,104)
SURPLUS/(DEFICIT)		<u>£ 37,062</u>		<u>£ (45,049)</u>

Henderson, Black & Co.

THE SCOTTISH FISHERIES MUSEUM TRUST LIMITED

INCOME AND EXPENDITURE ACCOUNT
FOR THE YEAR ENDED 31 OCTOBER 2001

		<u>2001</u>		<u>2000</u> as restated	
	<u>Notes</u>	£	£	£	£
TURNOVER			288,478		199,001
COST OF SALES			55,625		53,269
GROSS SURPLUS			<u>232,853</u>		<u>145,732</u>
ADMINISTRATION COSTS			191,999		185,602
OPERATING SURPLUS/(DEFICIT)	3/4		40,854		(39,870)
Interest payable	5	(3,792)	<u>(3,792)</u>	(5,179)	<u>(5,179)</u>
SURPLUS/(DEFICIT) ON ORDINARY ACTIVITIES BEFORE TAXATION			<u>37,062</u>		<u>(45,049)</u>
SURPLUS/(DEFICIT) ON ORDINARY ACTIVITIES		£	<u>37,062</u>	£	<u>(45,049)</u>
SURPLUS/(DEFICIT) OF FUNDS					
General Fund			36,912		(45,399)
Life Membership Fund			150		350
		£	<u>37,062</u>	£	<u>(45,049)</u>

STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES
FOR THE YEAR ENDED 31 OCTOBER 2001

Surplus/(Deficit) for the Financial Year	37,062	(45,049)
Donations to Development Fund	1,750	6,320
TOTAL RECOGNISED GAIN/(LOSS) RELATING TO THE YEAR	£ 38,812	£ (38,729)
Prior year adjustment (note 14)	<u>1,180,310</u>	
Total gains and losses recognised since last annual report	<u>1,219,122</u>	

Continuing Operations

None of the company's activities was acquired or discontinued during the current and previous years.

THE SCOTTISH FISHERIES MUSEUM TRUST LIMITED

BALANCE SHEET
AS AT 31 OCTOBER 2001

	<u>Notes</u>	£	<u>2001</u> £	£	<u>2000</u> as restated £
FIXED ASSETS					
Tangible assets	7		1,690,397		1,708,686
CURRENT ASSETS					
Stocks	8	6,784		6,554	
Debtors	9	4,239		3,368	
Cash at bank and in hand		430		294	
			<u>11,453</u>	<u>10,216</u>	
CREDITORS - amounts falling due within one year	10		<u>(29,543)</u>	<u>(103,407)</u>	
NET CURRENT (LIABILITIES)			<u>(18,090)</u>	<u>(93,191)</u>	
TOTAL ASSETS LESS CURRENT LIABILITIES			1,672,307	1,615,495	
CREDITORS - amounts falling due after more than one year	11		(1,800)	(1,800)	
Accruals and Deferred Income	13		<u>(59,275)</u>	<u>(41,275)</u>	
NET ASSETS			<u>£ 1,611,232</u>	<u>£ 1,572,420</u>	
Financed by:					
CAPITAL AND RESERVES					
General Fund - Unrestricted			388,662	334,691	
Life Membership Fund - Unrestricted			2,002	2,075	
Grants Fund - Restricted			1,148,102	1,164,206	
Development Fund - Endowment			<u>72,466</u>	<u>71,448</u>	
MEMBERS FUNDS			<u>£ 1,611,232</u>	<u>£ 1,572,420</u>	

Signed on behalf of the Board of Trustees.


B J L Minto C.A. Chairman


W D Batchelor C.A. Treasurer

The financial statements were approved by the Board on 19 April 2002

THE SCOTTISH FISHERIES MUSEUM TRUST LIMITED
STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 OCTOBER 2001

	<u>2001</u>	<u>2001</u>	<u>2001</u>	<u>2001</u>	<u>2001</u>	<u>2000</u>
	<u>General</u>	<u>Life</u>	<u>Grants</u>	<u>Develop</u>	<u>Total</u>	<u>Total</u>
	<u>Fund</u>	<u>Member</u>	<u>Fund</u>	<u>ment</u>	<u>Fund</u>	<u>Fund</u>
	<u>£</u>	<u>ship</u>	<u>£</u>	<u>Fund</u>	<u>£</u>	<u>£</u>
		<u>Fund</u>		<u>£</u>		
		<u>£</u>				
INCOMING RESOURCES:						
Admissions	33,781	-	-	-	33,781	30,588
Subscriptions & Donations	2,548	150	-	-	2,698	3,827
Boat Club Contributions	24,304	-	-	-	24,304	10,034
Development Fund	-	-	-	1,750	1,750	6,320
Running Expense Grants	111,550	-	-	-	111,550	46,550
Shop Sales	44,403	-	-	-	44,403	41,282
Tea Room Sales	58,650	-	-	-	58,650	54,400
Other Income	5,886	-	-	-	5,886	4,784
Sponsorship	7,000	-	-	-	7,000	7,000
Model Boats	206	-	-	-	206	536
Total incoming resources	288,328	150	-	1,750	290,228	205,321
RESOURCES EXPENDED:						
On charity's objects	249,591	-	-	-	249,591	242,175
Administration	1,825	-	-	-	1,825	1,875
Total resources expended	251,416	-	-	-	251,416	244,050
NET INCOMING/(OUTGOING)						
RESOURCES BEFORE TRANSFERS	36,912	150	-	1,750	38,812	(38,729)
Transfers between funds	17,059	(223)	(16,104)	(732)	-	-
NET MOVEMENT IN FUNDS	53,971	(73)	(16,104)	1,018	38,812	(38,729)
TOTAL FUNDS BROUGHT FORWARD						
AT 1 NOVEMBER 2000	334,691	2,075	1,164,206	71,448	1,572,420	1,611,149
TOTAL FUNDS CARRIED FORWARD						
AT 31 October 2001	388,662	2,002	1,148,102	72,466	1,611,232	1,572,420
Represented by:						
Fixed Assets	469,829	-	1,148,102	72,466	1,690,397	1,708,686
Current Assets	9,451	2,002	-	-	11,453	10,216
Current Liabilities	(29,543)	-	-	-	(29,543)	(103,407)
Longterm Liabilities	(1,800)	-	-	-	(1,800)	(1,800)
Deferred Income	(59,275)	-	-	-	(59,275)	(41,275)
	388,662	2,002	1,148,102	72,466	1,611,232	1,572,420

Henderson, Black & Co.

THE SCOTTISH FISHERIES MUSEUM TRUST LIMITED

NOTES TO THE ACCOUNTS AS AT 31 OCTOBER 2001

1. ACCOUNTING POLICIES

1.1 Accounting conventions

The financial statements have been prepared under the historical cost convention and in accordance with the Statement of Recommended Practice, Accounting and Reporting by Charities, applicable accounting standards and the Companies Act 1985.

1.2 Turnover

This represents income, net of value added tax, of the General Fund received during the year.

1.3 Depreciation of tangible assets

Provision is made for depreciation on all tangible assets, other than freehold land, at rates calculated to write off the cost or valuation, less estimated residual value, of each asset over its expected useful life, as follows:

Freehold buildings:	1.0% per annum on straight line basis
Fixtures and fittings:	10.0% per annum on reducing balance
Boats:	10.0% per annum on reducing balance

1.4 Stocks

Stock is valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items.

1.5 Grants

Capital grants on capital expenditure are allocated to the Grants Fund and a transfer is made to the General Fund equivalent to the depreciation charge of the assets acquired. Grants of a revenue nature are credited to income in the period to which they relate.

1.6 Cashflow statements

The company is entitled to the exemptions in Sections 246 and 247 of the Companies Act 1985 for small companies when filing accounts with the Registrar of Companies, and is therefore not required to prepare a cashflow statement under Financial Reporting Standard No.1.

2. FUNDS

The Development Fund is an Endowment Fund for the purposes of funding the Zulu Gallery. A transfer is made to the general fund equivalent to depreciation on assets acquired by development funding.

The Grants Fund is a restricted fund relating to capital grants received for the acquisition of fixed assets. A transfer is made to the General Fund equivalent to the depreciation charge on the fixed assets acquired.

The Life Membership Fund is an unrestricted designated fund for the purposes of accounting for life membership subscriptions.

The General Fund consists of non-designated unrestricted funds.

THE SCOTTISH FISHERIES MUSEUM TRUST LIMITED

NOTES TO THE ACCOUNTS AS AT 31 OCTOBER 2001

- continued

3.	OPERATING SURPLUS/(DEFICIT)	<u>2001</u>	<u>2000</u>
		£	£
	This is stated after charging (crediting):		
	Staff costs	95,472	103,152
	Auditors' remuneration	1,825	1,875
	Depreciation	24,869	25,657
	Operating lease rentals - plant	1,389	1,721
		<u> </u>	<u> </u>
4.	EMPLOYEE INFORMATION	<u>2001</u>	<u>2000</u>
		£	£
4.1	Staff costs:		
	Wages and salaries	90,982	98,013
	Social security costs	4,490	5,139
		<u> </u>	<u> </u>
		£ 95,472	£ 103,152
		<u> </u>	<u> </u>
4.2	The average number of employees during the year, calculated on the basis of full-time equivalents, was as follows:	No.	No.
	Management, Office and General Staff	11	11
	Curatorial	1	1
		<u> </u>	<u> </u>
		12	12
		<u> </u>	<u> </u>
5.	INTEREST PAYABLE	<u>2001</u>	<u>2000</u>
		£	£
	On bank loans and overdrafts	3,792	5,179
		<u> </u>	<u> </u>
		£ 3,792	£ 5,179
		<u> </u>	<u> </u>
6.	TAXATION		
	It has been agreed with the Inland Revenue that the Company is not liable to United Kingdom taxation due to its charitable status.		

Henderson, Black & Co.

THE SCOTTISH FISHERIES MUSEUM TRUST LIMITED

NOTES TO THE ACCOUNTS AS AT 31 OCTOBER 2001

- continued

7. TANGIBLE FIXED ASSETS

	<u>Freehold land</u>	<u>Freehold buildings</u>	<u>Exhibits and Fixtures and fittings</u>	<u>Boats</u>	<u>Total</u>
	£	£	£	£	£
Cost:					
At 1 November 2000	56,560	1,651,125	118,865	49,349	1,875,899
Additions	-	5,959	621	-	6,580
At 31 October 2001	<u>56,560</u>	<u>1,657,084</u>	<u>119,486</u>	<u>49,349</u>	<u>1,882,479</u>
Depreciation:					
At 1 November 2000	-	81,356	48,585	37,272	167,213
Charge for year	-	16,571	7,090	1,208	24,869
At 31 October 2001	<u>-</u>	<u>97,927</u>	<u>55,675</u>	<u>38,480</u>	<u>192,082</u>
Net book value at 31 October 2001	<u>£56,560</u>	<u>£1,559,157</u>	<u>£63,811</u>	<u>£10,869</u>	<u>£1,690,397</u>
Net book value at 31 October 2000	<u>£56,560</u>	<u>£1,569,769</u>	<u>£70,280</u>	<u>12,077</u>	<u>1,708,686</u>

The heritable property known as St. Ayles, Harbourhead, Anstruther was purchased by Anstruther Town Council from the National Trust for Scotland in 1967 and the Town Council later sold the property to the Scottish Fisheries Museum Trust Limited at the same price, the date of recording being 29 June 1970.

The Scottish Fisheries Museum Trust Limited then granted a Bond and Disposition in Security in favour of the Town Council for the same amount and this deed is also recorded 29 June 1970. The Bond is now vested in Fife Council as successors to Anstruther Town Council. By a Back Letter granted by the Town clerk in favour of The Scottish Fisheries Museum Trust Limited, it is agreed that no interest shall be charged upon the loan, nor will the sum be called up unless and until steps shall have been initiated for the Scottish Fisheries Museum Trust Limited to be wound up voluntarily or otherwise in terms of the Companies Acts.

No value has been included under the heading of Exhibits as shown for those items either donated or loaned to the Museum. The Trustees are unable to put value on these exhibits, but for insurance purposes the total contents of the Museum have been valued at £249,944 (2000 £226,792)

8. STOCKS	<u>2001</u>	<u>2000</u>
	£	£
Publications and consumables	<u>6,784</u>	<u>6,554</u>

THE SCOTTISH FISHERIES MUSEUM TRUST LIMITED

NOTES TO THE ACCOUNTS AS AT 31 OCTOBER 2001

- continued

9.	DEBTORS	<u>2001</u>	<u>2000</u>
		£	£
	Trade debtors	2,536	2,185
	Other debtors	1,000	605
	Prepayments	703	578
		<u>£ 4,239</u>	<u>£ 3,368</u>

10.	CREDITORS - AMOUNTS FALLING DUE WITHIN ONE YEAR	<u>2001</u>	<u>2000</u>
		£	£
	Bank overdraft	16,720	77,211
	Trade creditors	5,528	3,981
	Other taxes and social security costs	5,326	5,178
	Other creditors	469	15,537
	Loans	1,500	1,500
		<u>£ 29,543</u>	<u>£103,407</u>

The bank overdraft is secured by a Standard Security over property at No.5 and No.11 East Shore, Anstruther.

The loans are interest free and have no fixed terms of repayment.

11.	CREDITORS - AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR	<u>2001</u>	<u>2000</u>
		£	£
	Bond secured over property (note 7)	1,800	1,800
		<u>£ 1,800</u>	<u>£ 1,800</u>

12. OBLIGATIONS UNDER LEASES AND HIRE PURCHASE

The annual commitments under non-cancellable operating leases are as follows:

	<u>2001</u>	<u>2000</u>
	£	£
Operating leases, other than land and buildings which expire:		
Within one year	-	-
In years two to five inclusive	1,352	1,176
Over five years	-	-
	<u>£1,352</u>	<u>£1,176</u>

Henderson, Black & Co.

THE SCOTTISH FISHERIES MUSEUM TRUST LIMITED

NOTES TO THE ACCOUNTS AS AT 31 OCTOBER 2001

- continued

13. DEFERRED INCOME	<u>2001</u>	<u>2000</u>
Deferred Revenue Grants and Sponsorship:	£	£
Brought Forward	41,275	48,275
Received in this year	136,550	46,550
Transferred to Revenue Account	(111,550)	(46,550)
Transfer to Sponsorship	(7,000)	(7,000)
Carried forward	<u>£ 59,275</u>	<u>£ 41,275</u>

14. CHANGE OF ACCOUNTING POLICY AND RECONCILIATION OF MEMBERS FUNDS

In line with the revised Statement of Recommended Practice for the accounting and reporting by charities, capital grants that were previously shown as deferred income in the balance sheet are now accounted for as a separate restricted Grants Fund. A transfer is made to the General Fund of an amount equivalent to the depreciation charge of the fixed assets acquired.

	<u>2001</u>	<u>2000</u>
	£	£
Surplus/(deficit) for financial year	37,062	(45,049)
Donations to Development Appeal	1,750	6,320
Total opening funds restated (Originally £408,214 before adding prior year adjustment of £1,164,206)	1,572,420	1,611,149
Closing members funds	<u>1,611,232</u>	<u>1,572,420</u>

15. CAPITAL COMMITMENTS

	<u>2001</u>	<u>2000</u>
	£	£
Capital expenditure agreed but not provided for in the accounts	<u>4,187</u>	<u> </u>

16. LEGAL

The Company Registration Number is SC045381 and the Charity Registration Number is SC006185. The Company does not have a share capital, but the liability of the members is limited by guarantee. In the event of the company being wound up each member may be required to contribute an amount not exceeding £1. As at 31 October 2001 there were 404 members (2000 - 386)

A Legal Liability exists to repay the STB and Heritage Lottery Fund Grants if the underlying assets are sold or otherwise disposed of, without the prior approval of the Grantors, on closure or liquidation, events which the Trustees deem unlikely.

Henderson, Black & Co.

THE SCOTTISH FISHERIES MUSEUM TRUST LIMITED

STATEMENT OF THE BOARD OF TRUSTEES RESPONSIBILITIES

Company law requires the Board of Trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the company and of the surplus or deficit of the company for that period. In preparing those financial statements, the Board of Trustees are required to

1. Select suitable accounting policies and then apply them consistently
2. Make judgements and estimates that are reasonable and prudent
3. Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The Board of Trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and to enable them to ensure the financial statements comply with the Companies Act 1985. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

**The Scottish Fisheries Museum Trust Limited
Independent Auditors' Report
for the year ended 31 October 2001**

**Report of the independent auditors
to the Trustees of The Scottish Fisheries Museum Trust Ltd**

We have audited the financial statements on pages 4 to 11 which have been prepared under the historical cost convention and the accounting policies set out on page 7.

Respective responsibilities of trustees and auditors

As described on page 12, the trustees are responsible for the preparation of the financial statements. It is our responsibility to audit the financial statements in accordance with relevant legal and regulatory requirements and United Kingdom Auditing Standards.

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with relevant legislation. We also report to you if, in our opinion, the Trustees' Report is not consistent with the financial statements, if the company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding trustees' remuneration and transactions with the trust is not disclosed.

We read other information contained in the Annual Report, and consider whether it is consistent with the audited financial statements. This other information comprises only the Trustees' Report. We consider the implications for our report if we become aware of any apparent misstatements or material inconsistencies with the financial statements. Our responsibilities do not extend to any other information.

Basis of opinion

We conducted our audit in accordance with United Kingdom Auditing Standards issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the trustees in the preparation of the financial statements and of whether the accounting policies are appropriate to the charity's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the accounts are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

Opinion

In our opinion the financial statements give a true and fair view of the state of the charity's affairs as at 31 October 2001 and of its income and expenditure, its incoming resources and application of resources for the year then ended and have been properly prepared in accordance with the provisions of the Companies Act 1985.

Henderson Black & Co.

Henderson Black & Co
Chartered Accountants
Registered Auditors

Edenbank House
22 Crossgate
Cupar

3 April 2002

Henderson, Black & Co.